# LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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### FISCAL IMPACT STATEMENT

**LS 6402 NOTE PREPARED:** Dec 7, 2002

BILL NUMBER: HB 1958 BILL AMENDED:

**SUBJECT:** Administration of teacher licensing.

FIRST AUTHOR: Rep. Thompson

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

 $\overline{\underline{X}}$  DEDICATED FEDERAL

<u>Summary of Legislation</u>: The bill provides that the Department of Education (the Department) rather than the Professional Standards Board governs training, licensing, and professional development of teachers. The bill establishes a division within the Department to administer these functions. The bill changes the current Professional Standards Board into an advisory board to advise the Superintendent of Public Instruction, the State Board of Education, and the Department on matters concerning teacher training, licensing, and professional development. The bill establishes a fund to receive fee revenue. The bill provides for use of the fund for program administration and makes a continuing appropriation for this purpose. The bill removes references to IC 20-6.1-8, which was repealed in 2001. The bill repeals a redundant section and makes transitional provisions.

Effective Date: July 1, 2003.

**Explanation of State Expenditures:** *Summary:* The impact to state expenditures is indeterminable and would depend on the actions taken by the Department in order to implement this proposal.

Under the bill, the following would be transferred from the Professional Standards Board to the Department: all real and personal property of the Board; all powers, duties, assets, and liabilities of the Board, and all appropriations to the Board.

The Indiana General Assembly appropriated to the Professional Standards Board \$3.6 M for administration and programs and \$110,000 for teacher licensing in FY 2003.

As of November 2002, the Board had 35 filled positions. Of these positions, 32 employees were full-time

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and 3 were on leave.

The bill would allow the 19 members of the Professional Standards Board to be transferred into the Advisory Board for Teacher Training, Licensing, and Professional Development (the Advisory Board.) The members of the Advisory Board would receive the same per diem, travel reimbursement, and payment for services rendered in relation to direct duties to the Advisory Board. Under the bill, the Superintendent of Public Instruction would appoint the chairman of the Advisory Board.

The bill also establishes the Division of Teacher Training, Licensing, and Professional Development within the Department. The Division would essentially assume the duties of the Professional Standards Board. Under the bill, rules may be adopted to set standards for teacher licensing and the administration of a professional licensing and certification process by the Department.

The bill also would require the creation of the Teacher Training, Licensing, and Professional Development Fund to consist of fee revenue. The Fund would be administered by the Department of Education. Money in the Fund would not revert to the state General Fund at the end of the state fiscal year. Money in the Fund would be continuously appropriated for use by the Department for the administrative expenses related to training, licensing, and professional development of teachers.

*Background:* The Professional Standards Board was established by P.L. 46-1992 to train, license, and professionally develop teachers, school superintendents, and school psychologists. The Board also holds hearings and has the power to revoke the license of a licensed individual. Prior to 1992, the State Board of Education via the Department, held the responsibility for licensing of teachers.

<u>Explanation of State Revenues:</u> *Summary:* Under the bill, the fee revenue for teacher licensing would be placed into the Teacher Training, Licensing, and Professional Development Fund, and no longer placed into the state General Fund. Money in the Professional Standards Board Licensing Fund, established by P.L. 291-2001, would be transferred to the Fund.

*Background:* Under current law, fee revenue for teacher licensing is deposited into the state General Fund. Effective January 1, 2002, teacher license fees are \$35. The limited license fee is \$35, and the fee for a substitute certificate is \$15. In FY 2002 the Board collected \$442,335 in teacher license revenue. Funds placed in the state General Fund for licensing are for use of the Board to comply with the duties of the Board.

#### **Explanation of Local Expenditures:**

#### **Explanation of Local Revenues:**

State Agencies Affected: State Board of Education, Department of Education, Professional Standards Board.

## **Local Agencies Affected:**

<u>Information Sources:</u> State of Indiana, *List of Appropriations July 1, 2001, to June 30, 2001*; State of Indiana, *HRM Detail Staffing Report November 4, 2002; 2002 Roster of State and Local Officials.* 

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